

TO: Secretary Paige  
FROM: Acting COO Candy Kane  
RE: FSA Weekly Report  
DATE: June 24, 2002

### **THE WEEK AHEAD**

Nothing to report.

### **KEY NEWS**

**Collection Recovery:** Recoveries for FY02 now stand at \$1,002,995,451. FSA is on target to achieve all recovery goals for FY02.

**National Student Loan Data System:** NSLDS continues to make progress in moving guaranty agencies (GAs) away from tape and toward electronic submissions through the Student Aid Internet Gateway (SAIG). A rework of the pre-processing program produced performance improvements. A 720,000 record file used to take two hours to process, but now it takes only five minutes. A 3.8 million-byte file used to take more than seven hours, and now is processed in 70 minutes.

### **RESOLUTION OF KEY ISSUES**

Nothing to report.

### **PUBLIC AFFAIRS ACTIVITIES**

**Canadian Association of FAAs:** On June 15-16, FSA Case Management & Oversight, in partnership with Vermont Student Assistance Corporation, presented a two-day Technical Assistance Session for the Canadian Association of Student Financial Aid Administrators. CASFAA and several of the Canadian colleges and universities that participate in Title IV programs asked for the sessions, which were held in conjunction with their annual meeting in Manitoba, Canada. About 70 people attended. The sessions were structured around the "Student Financial Aid Handbook for Foreign Schools."

### **REGULATORY ACTIVITIES**

**Enforcement Action:** On June 17, ED/FSA notified Avanti Hair Tech that we were revoking their provision program participation agreement. The school has campuses in Winter Park, West Palm Beach, and Orlando, Florida. Earlier this year, FSA Case Management & Oversight began conducting on-site program reviews at the three campuses. Initial findings led us to place the school on reimbursement status on March 21. The on-site reviews indicate Avanti Hair Tech falsified student data, such as income, marital status, and household size, and also falsified ATB (Ability To Benefit) test results. As of June 17, the school ceased receiving Title IV funds. The action potentially displaces up to 200 students, but many schools with similar programs are located in the area. We are working with the Florida Education Department and the school's accrediting agency to help students continue their educations.

### **POLICY DOCUMENTS**

Nothing to report.

**GRANT ACTIVITIES**

Nothing to report.

**ON THE HORIZON**

Nothing to report.

**CONTACT INFORMATION**

Please contact Karen Santos Freeman at 377-4001 with any questions.